



Public Input Meeting on the 2016-2017 Substantial Amendment

MARCH 9, 2017 – COVELLI CENTRE





Substantial Amendment Procedures

Any proposal that changes priorities or 10% of the funding of the HUD approved annual action plan requires a substantial amendment.

- Public Notice
 - advertise and post on website
 - adequate and reasonable - so citizens have opportunity to review
- Public Hearing
 - Provide details and answer questions
- Receive Public Comments





Section 108 Loan

HUD Program that allows the borrowing of up to five times the annual CDBG grant

The City of Youngstown has the capacity to borrow \$15,747,390

Project must be eligible under program requirements

Funding must be used to meet one of HUD's National Objectives





Project Eligibility and National Objective

eligible activity under 570.703(l) acquisition, construction, reconstruction, rehabilitation or installation of public facilities (except for buildings for the general conduct of government), public streets, sidewalks, and other site improvements and public utilities.

The project will meet the **national objective** of benefiting a Low to Moderate Income Area (LMIA)

Census Tract 89%

Citywide 63%

4.5 Mile Radius 51%

Low-Moderate Income – at or below 80% of the area median income





City proposal for 108 Loan

Project Location is 219 S. Phelps Street

- former Wean United property connecting to Covelli Centre

Redevelopment of the 20 acre site for a City-owned amphitheater and riverfront park.

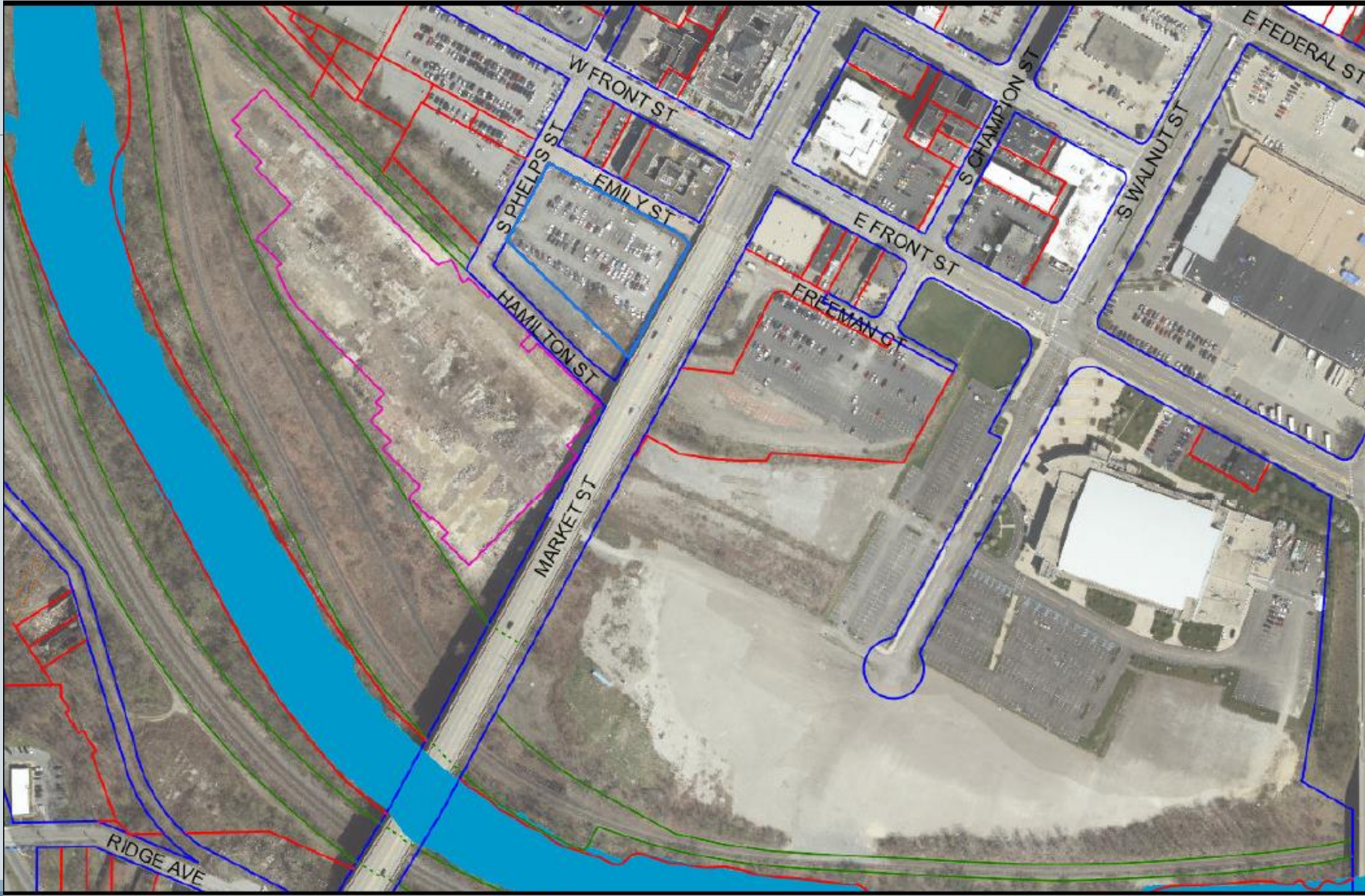
The river front park will feature a children's play area, pedestrian walking trails, lawn areas that incorporate "green infrastructure" for storm water retention, community event spaces, water feature/splash pad and basketball athletic areas.

The amphitheater will feature a covered stage, open air seating for 3,250, public restrooms and concession area.





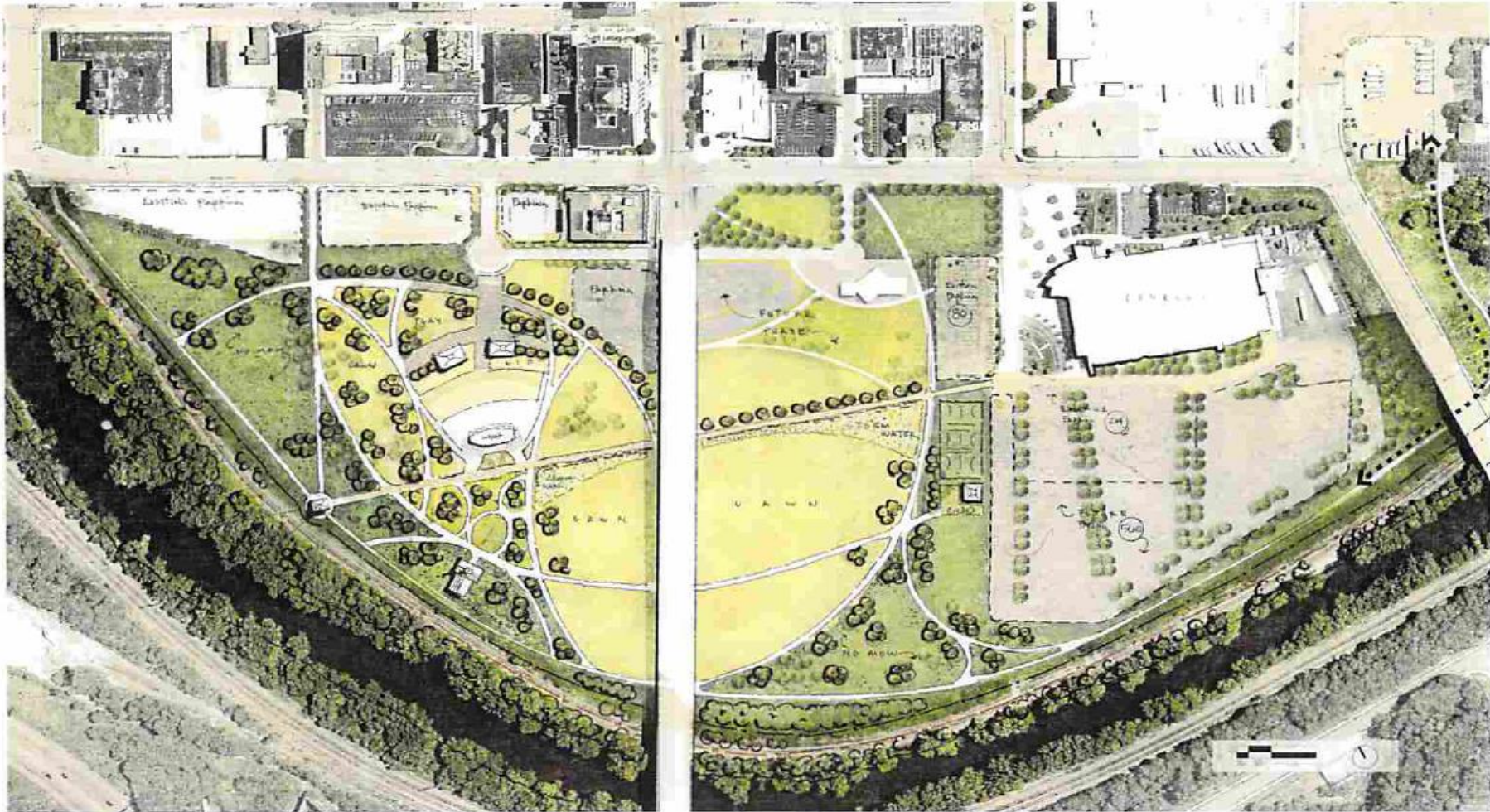
Project Site





Preliminary Project Design

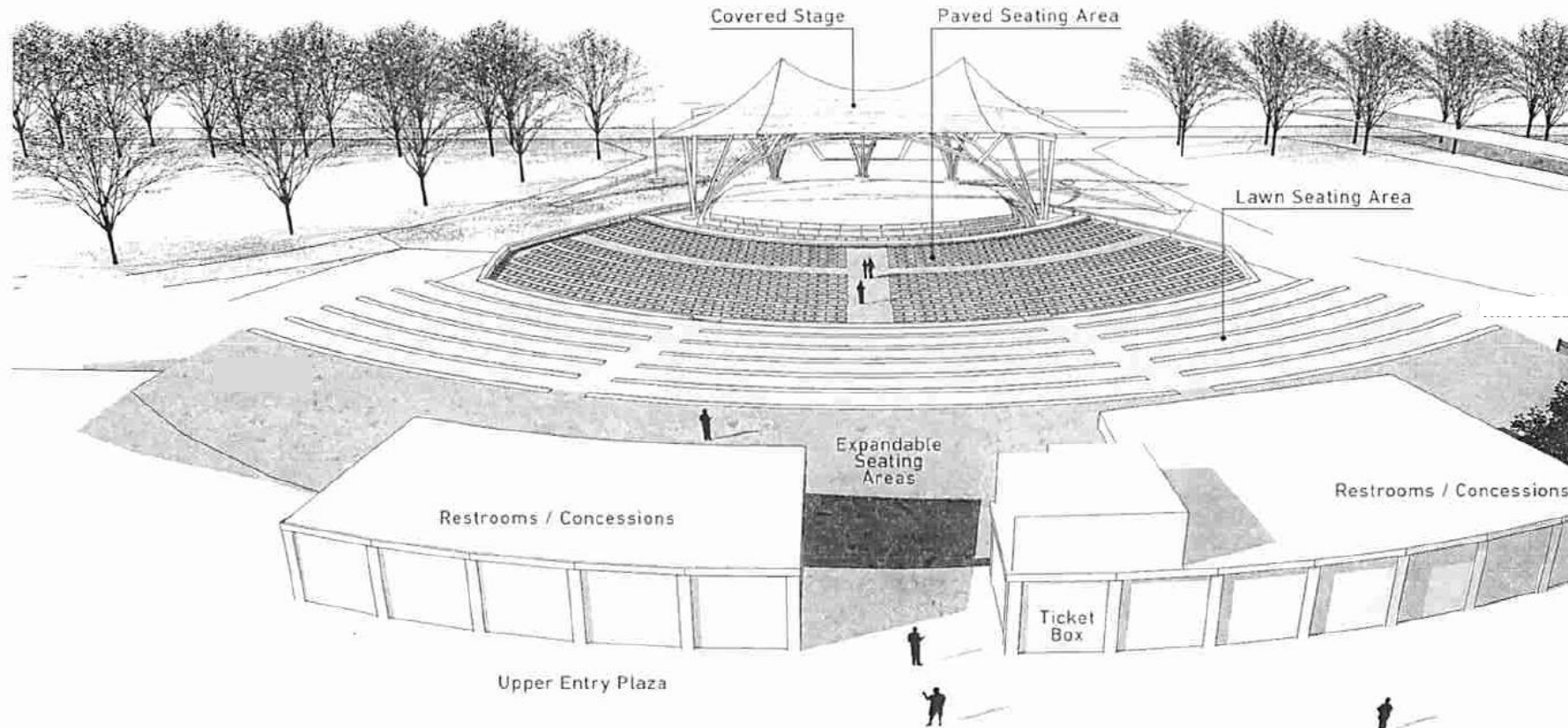
MASTERPLAN





Preliminary Amphitheater Concept

AMPHITHEATER DESIGN - PHASE 1



Seating Capacity

VIP Seating Area (open air):	1000
Terraced Lawn:	1250
Upper Plaza:	2000
TOTAL SEATING	3250



Loan Collateral

Primary project collateral is future CDBG funds
- Secondary collateral is City of Youngstown

All Principle and Interest will be guaranteed and repaid with future CDBG funds

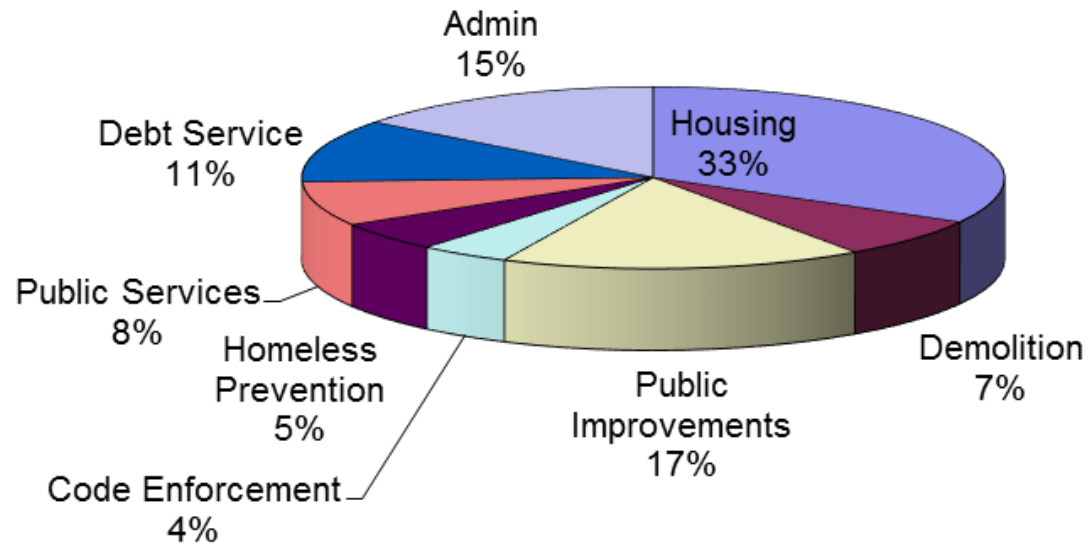
The City currently has one outstanding Section 108 loan that will be paid off August 2019





Typical Grant Spending

FY 2014-2015 Federal Grant Spending





Repayment

The Section 108 loan program allows borrowing at a rate 2 points over the LIBOR rate.

The total estimated repayment of principle and interest will be \$6,678, 713.

Assuming a 20 year loan at a 3.75 the estimated annual repayment will be:

YR 1	\$ 188,835		YR 6	\$ 435,648		YR 11	\$ 363,528		YR 16	\$ 218,190
YR 2	\$ 492,473		YR 7	\$ 421,378		YR 12	\$ 282,611		YR 17	\$ 216,040
YR 3	\$ 478,406		YR 8	\$ 407,028		YR 13	\$ 221,630		YR 18	\$ 213,280
YR 4	\$ 464,214		YR 9	\$ 392,590		YR 14	\$ 220,890		YR 19	\$ 209,970
YR 5	\$ 449,938		YR 10	\$ 378,174		YR 15	\$ 219,790		YR 20	\$ 404,100



Effect on Future CDBG Programs

Approximately 7% of the CDBG budget is allocated for repayment of Section 108 debt through August 2019

This additional Section 108 Loan will require an average of approximately 12% of future CDBG funds for repayment of principle and interest through 2037 - Estimated at \$260,000

The impact of repayment of the loan in will result in lowered funding for Public Service, Housing and other public improvement projects

